



## The New Color of Money Safer. Smarter. More Secure.

[www.moneyfactory.gov/newmoney](http://www.moneyfactory.gov/newmoney)

### Counterfeit Deterrence

**The Federal Reserve, the Department of the Treasury and the U.S. Secret Service are committed to continuous improvement in currency design and aggressive law enforcement to protect the integrity of U.S. currency against counterfeiting.**

- Currency counterfeiting has consistently been kept low for more than 100 years.
- "Despite counterfeiters' increasing use of technology, advanced counterfeit deterrence on the part of the authorities has kept counterfeiting at low levels. Current estimates put the rate of all counterfeit notes in circulation worldwide at .008 percent for all genuine notes in circulation."
- Since 1996, new currency designs have included improved security features to make counterfeiting more difficult and to make it easier for financial institutions, professional cash handlers and the general public to check their U.S. currency.

#### **Easy-to-use security features help people check their U.S. money:**

- ✓ **Color-shifting ink:** Look at the numeral in the lower right corner on the face of the note. When you tilt the note up and down the color-shifting ink changes color from copper to green.
- ✓ **Watermark:** Hold the note up to the light and look for the watermark, or faint image, similar to the large portrait. The watermark is part of the paper itself and it can be seen from both sides of the note.
- ✓ **Security thread:** Hold the note up to the light and look for the security thread, or plastic strip, that is embedded in the paper and runs vertically on one side of the portrait. The thread is visible from both sides of the note and will glow when held under an ultraviolet light.

**Because these features are difficult for counterfeiters to reproduce well, they often do not try; they hope that cash handlers and the public will not check their money.**



- The U.S. Secret Service is working closely with banks and law enforcement agencies worldwide to help suppress counterfeiting activities.
- Through aggressive law enforcement, in 2005 authorities seized about half of the known counterfeit U.S. dollars before they were passed into circulation.
  - In fiscal year 2005, the U.S. Secret Service and international authorities seized nearly \$53 million in counterfeit notes before they ever made it into circulation. Another \$61 million in counterfeit U.S. currency that had been passed into circulation was detected and removed worldwide. In these cases, innocent victims who received the bogus notes suffered a financial loss.<sup>1</sup>
  - In 2005, the U.S. Secret Service made more than 3,717 arrests in the United States for currency counterfeiting activities. The conviction rate for counterfeiting prosecutions is about 97.4 percent.<sup>2</sup>
  - About 40 percent of the counterfeit notes detected being passed in the United States in fiscal year 2005 originated outside the United States, whereas about 36 percent originated outside of the United States in 2004, and about 42 percent originated outside of the United States in 2003.<sup>3</sup>
- The combined efforts of public education, law enforcement, improved security features and public awareness have all kept counterfeiting of U.S. currency at low levels.

**Counterfeiters are turning increasingly to digital methods, as advances in technology make digital counterfeiting easier and cheaper.**

- In the past decade, digital equipment has become more available to the general public, and as a result, the amount of digitally produced counterfeits has risen. Since 1995, digitally produced counterfeit notes have increased from less than 1 percent of all counterfeits detected in the United States to about 52 percent in 2005.<sup>4</sup>
  - In 2005, the U.S. Secret Service made 584 seizures of digital equipment, such as personal computers, involved in currency counterfeiting in the United States.<sup>5</sup>
  - Currency counterfeiting by traditional offset-printing operations is more prevalent abroad, while digital counterfeiting is more prevalent in the United States.

---

<sup>1</sup> The U.S. Secret Service

<sup>2</sup> The U.S. Secret Service

<sup>3</sup> The U.S. Secret Service

<sup>4</sup> The U.S. Secret Service

<sup>5</sup> The U.S. Secret Service

**Whether it is digital technology or sophisticated offset printing presses, U.S. currency faces a number of threats from counterfeiters. So in order to stay ahead of the counterfeiters, the U.S. government will introduce new currency designs every seven to 10 years.**

- Protecting U.S. currency is an ongoing process. By continuously evaluating currency designs and introducing new security features, the government does an effective job of staying ahead of counterfeiting.
- The new \$10 note was issued on March 2, 2006 and is the latest in the new series for U.S. currency. The new series began with the introduction of the \$20 note on October 9, 2003, and continued with the \$50 note, which was issued on September 28, 2004.

The new notes are safer, smarter and more secure: safer because they're harder to fake and easier to check; smarter to stay ahead of tech-savvy counterfeiters; and more secure to protect the integrity of U.S. currency.

- The new \$10, \$20 and \$50 designs retain three important security features that were introduced in the 1990s and are easy for consumers and merchants alike to check: color-shifting ink, security thread and watermark.
- While consumers should not use color to check the authenticity of their money, the addition of color makes it more burdensome for potential currency counterfeiters because it adds complexity to the note and thus makes counterfeiting more difficult.

Security features are more effective if the public knows about them. To build that awareness, the U.S. government has undertaken a public education program to help ensure people all over the world know the new notes have arrived, and to help them understand and utilize the security features. Outreach is targeted to audiences that use and handle currency the most, particularly cash handlers in the retail and financial sectors, but also cash-handling equipment manufacturers, business associations and the general public through the news media.

- People who know how to use the security features can avoid ending up with worthless counterfeit notes because if you end up with that rare fake, you will lose your hard-earned money. Counterfeit notes cannot be turned in for genuine ones, and knowingly passing along a counterfeit is illegal.